

2020 Public Affairs Pulse Survey Report

What Americans Think About Business and Government



Executive Summary

Our poll of 2,199 Americans, conducted Aug. 19-21, 2020 by Morning Consult, explores public opinion on a host of timely topics: the integrity of the 2020 elections, how the COVID-19 pandemic is being managed, racism in America, the most trusted political news sources, how businesses are regulated and campaign finance options.

As we draw closer to November 3, there have been multiple warnings about the impact of Russian interference, cutbacks at the U.S. Postal Service and other factors on the nation's ability to hold fair elections. **This new Public Affairs Council/ Morning Consult poll reveals an alarming finding: only 29% of Americans have faith that the 2020 elections will be conducted in an honest and open way.** Concern about election integrity and/or voting access is widespread.

Public concern about how the government is managing the COVID-19 pandemic is also widespread. **Only 27% of Americans believe the federal government is doing a good or excellent job of balancing health and safety with re-opening the economy.** In order to determine which side of the scale is off-balance, we asked whether the efforts by government and business to re-open the economy were moving too fast, too slow, or just right. Forty-five percent (45%) said the federal government was moving too fast to re-open the economy and only 26% said it was moving too slow.

Democrats and Independents are both quite critical of the federal government's actions in the wake of COVID-19, but Republicans are split in their assessment. While 30% of Republicans said the federal government was moving too fast in re-opening the economy, another 30% said they it was moving too slow.

The private sector, particularly small businesses, scored much better than the public sector in managing COVID-19 challenges. Forty-five percent (45%) said major companies have done a good or excellent job of balancing health and safety with re-opening the economy and 66% gave small businesses good or excellent scores.

As protests about racial injustice continue, **74% of Americans believe racism is a somewhat or very serious problem.** Although 68% of Democrats consider racism a *very* serious problem, only 22% of Republicans and 44% of Independents agree. In fact, 23% of Republican men say racism is not a serious problem at all — a view shared by just 2% of Democratic men.

Despite corporate pledges to support Black Lives Matter, **a plurality of Americans (38%) see businesses as “not making a difference” in combatting racism and only 28% believe they are playing a positive role.** If a major company were to take steps to prevent racism, however, 51% said they would have a more favorable opinion of that firm and only 9% said they would have a less favorable opinion.

Americans continue to trust friends and family for political news and information more than any other source. **While 72% said they trust information from friends and family, only 42% trust what they see or hear from the news media.** Businesses are now tied with the news media as the second most-trusted source of news and information.

Major companies and small businesses also improved their favorability ratings with the public. Over half of Americans (53%) now have a favorable opinion of major companies, while 35% hold an unfavorable opinion. Trust in major companies to behave ethically is considerably higher than trust in the CEOs who run them, however.

And finally, public support for business regulation has increased significantly in the past year. Considerably more people (32%) believe government regulation of business “is necessary to protect the public interest” than believe “government regulation of business usually does more harm than good” (22%).

Americans Worried About Integrity of 2020 Elections

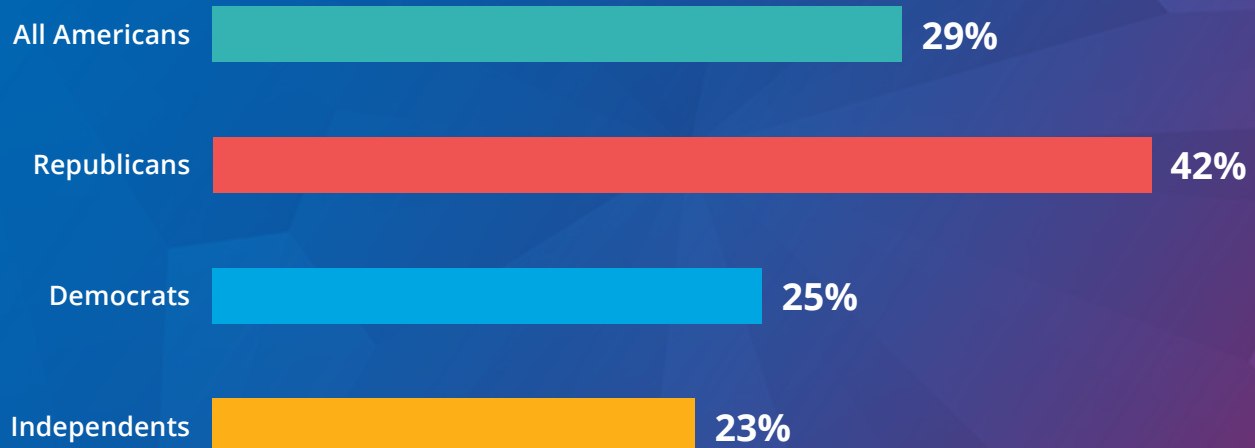
With just a few weeks to go before Election Day, most Americans have doubts about the fairness of the voting process. In fact, only 29% of Americans have faith that the 2020 elections will be conducted in an honest and open way. Concern about election integrity and/or voting access is widespread across every age group, education level, geographic region and ethnic category.

Twenty-one percent (21%) believe the elections will be *neither* honest nor open, and 18% believe the elections will be open to everyone with a right to vote but won't be conducted in an honest way. An additional 14% have the opposite concern — that the elections will be honest but not adequately open.

Despite President Trump's claim that the U.S. will experience “the greatest rigged election in history,” Democrats and Independents are far more worried than Republicans about the integrity of the 2020 vote. While 42% of Republicans are convinced that the elections will be both honest and open, only 25% of Democrats and 23% of Independents agree.

Even members of the GOP are more doubtful than hopeful about the electoral process. Forty-five percent (45%) are concerned about honesty, openness or both. Meanwhile, 61% of Democrats and 51% of Independents have similar fears.

Will 2020 Elections Be Honest and Open?



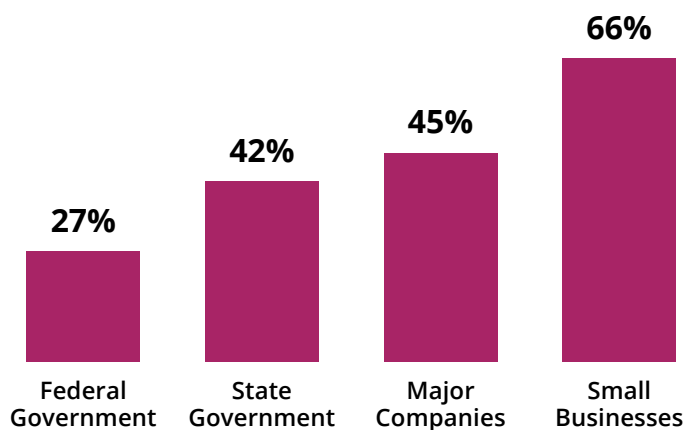
Public Critical of Government Handling of COVID-19

Survey results indicate the majority of Americans are critical of the job the federal government has done balancing health and safety concerns with the need to open up the economy. Four in 10 (41%) said the feds have done a poor job and another 24% said they have done just a fair job. Only 27% rated the federal government's performance as good or excellent.

The federal government's worst scores came from younger voters age 18-34 and older voters age 65 and up; two-thirds (68%) of both groups rated Washington's response as just fair or poor.

Americans Weigh in on Pandemic Response by Government and Business

Scores Of Good Or Excellent For Balancing Health/Safety And Re-Opening Economy



What's more, 45% of all Americans said the federal government's efforts to open up the economy were moving too fast while only 26% said they were moving too slow.

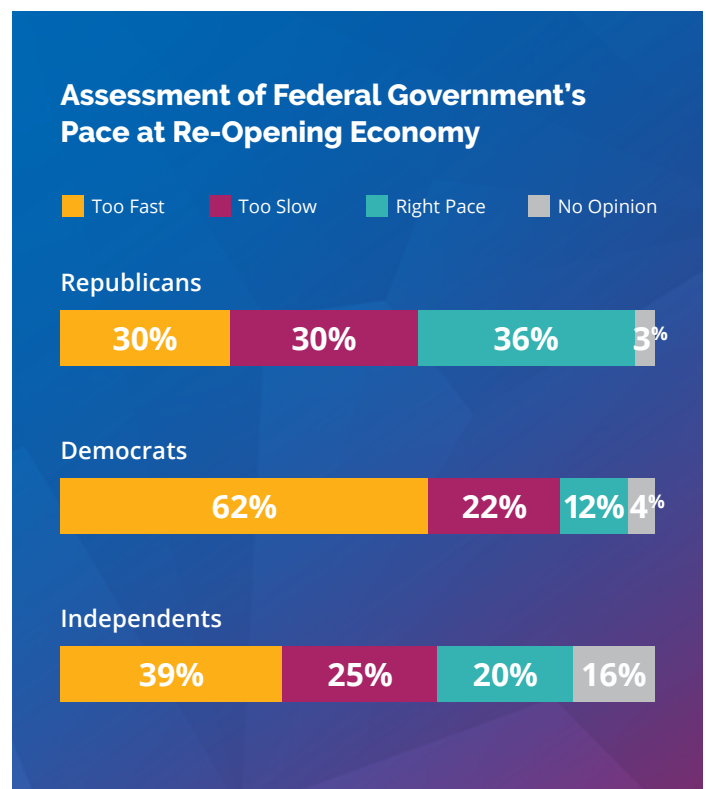
Among Democrats, 80% said the federal government has done a just fair or poor job and only 14% said they've done a good or excellent job. Sixty-two percent (62%) of Democrats think the feds are re-opening the economy too fast, and only 22% think they are re-opening it too slow.

Independents side with the Democrats in their assessment of the federal government's actions to address both health/safety and the economy. Among Independents, 67% ranked the fed as poor or fair in this area and only 20% approve of the job being done. Thirty-nine percent (39%) are concerned about the federal government re-opening the economy too fast and only 25% are most concerned with re-opening the economy too slow.

Republicans are split on Washington's performance in dealing with the pandemic's impact. While 49% of Republicans gave the federal government a score of good or excellent in balancing safety and the economy, 45% gave scores of fair or poor. When asked to judge the pace at which the feds are trying to re-open the economy, 30% of Republicans said the economy was re-opening too fast and 30% said it was re-opening too slow.

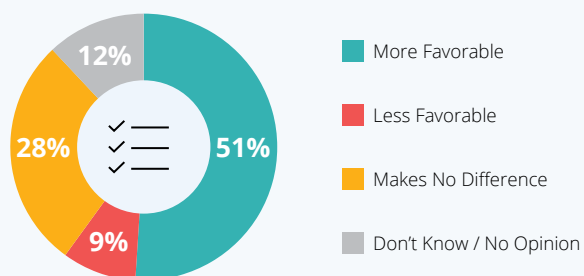
Americans are less critical of the job state and local governments are doing. Nevertheless, 52% said their state government's efforts to balance competing concerns during the pandemic has been just fair or poor, and only 42% said it has been good or excellent. Results varied considerably by geographic region. State governments in the Northeast received the highest scores and those in the South and West received the lowest scores. Among all respondents, 35% said their state government was moving too fast to open up the economy and 24% said it was moving too slow. The scores at the local level were 32% (too fast) and 21% (too slow).

The private sector scored much better than the public sector in managing COVID-19 challenges. Forty-five percent (45%) said major companies have done a good or excellent job of achieving a balance between health/safety and the economy, and only 44% disagreed. Small businesses received the best marks, with 66% giving them scores of good or excellent and 24% rating them just fair or poor.

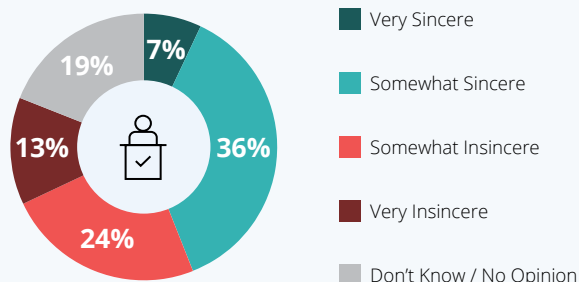


Public Responses to Business Anti-Racism Actions

Company Takes Steps To Prevent Racism



Company Makes Public Pledge To Address Racism



Most View Racism as Serious Problem in U.S.

The Black Lives Matter movement has galvanized public concern about racial injustice, but it has become controversial when protestors have ceased to be peaceful. Nevertheless, three-out-of-four Americans (74%) believe racism is a somewhat or very serious problem in the U.S.

While 68% of Democrats consider racism a *very* serious problem, only 22% of Republicans and 44% of Independents agree. In fact, 23% of Republican men consider racism “not a serious problem at all” — a view shared by only 2% of Democratic men.

The overall score of 74% concern about racism is exactly the same percentage of Americans who found racism to be a serious problem when the Public Affairs Pulse Survey was conducted in 2016, right before that year’s presidential election.

Despite corporate pledges to support Black Lives Matter, many Americans see businesses as “not making a difference” in combatting racism. Four years ago, 24% said major U.S. companies were playing a negative role in trying to reduce racism while 27% said they were playing a positive role. This year, only 14% said companies are playing a negative role and 28% said major companies are playing a positive one. A plurality

of 38% in the 2020 survey said major companies are not making any difference in reducing racism.

Survey results show that efforts to stop racism will be rewarded, however. If a major company were to take steps to prevent racism, 51% said they would have a more favorable opinion of that firm and only 9% said they would have a less favorable opinion. Major companies who have issued statements pledging to reduce racism are generally given the benefit of the doubt; 43% of Americans consider these statements sincere and 37% consider them insincere.

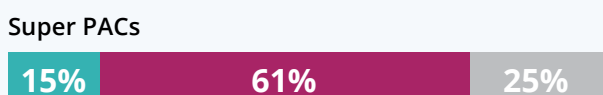
People Trust “Friends and Family” Most for News

Last year 67% of Americans said they trust their friends and family when it comes to political news; that number has risen to 72% in 2020.

The news media and businesses are tied for second place as news sources, with 42% trusting at least some of what they hear and see. Tied for third place are trade and professional associations and the Democratic Party, with 39% trust scores. Next are conservative groups (36%), the Republican Party (34%), liberal groups (31%), social media (29%), and candidate political campaigns (27%). The least-trusted source of political news and information are political groups such as super PACs. Only 15% trust them “some” or “a lot.”

Most Trusted Sources of Political News

Trust (A Lot / Some) Don't Trust (Not Too Much / None) Don't Know / No Opinion



It's worth noting that the news media, which is the most common source of political news and information, inched up three percentage points this year. The biggest positive movers were friends and family, businesses and candidate political campaigns (all up five percentage points).

Public Support Rises for Big and Small Businesses

Favorability of major companies rose from 48% in 2019 to 53% in 2020. Only 35% of Americans said they have an unfavorable opinion of major companies. The primary drivers are customer service (up 12 percentage points), employee pay (up five percentage points), serving stockholders (up four percentage points), and providing useful products and services (up four percentage points). Major companies are also receiving more credit for protecting the environment and supporting local communities (both up three percentage points).

Small businesses attract even higher ratings. Eighty-six percent (86%) of the public said they had a somewhat or very favorable opinion of small businesses — roughly the same level of support they received in 2019 (85%).

Nevertheless, the public believes corporate CEOs lack trustworthiness. Only 7% think big business leaders have high standards for honesty and ethics, while 47% believe their standards are low. Meanwhile, 37% believe small business owners have high standards for honesty and ethics, and only 4% believe their standards are low.

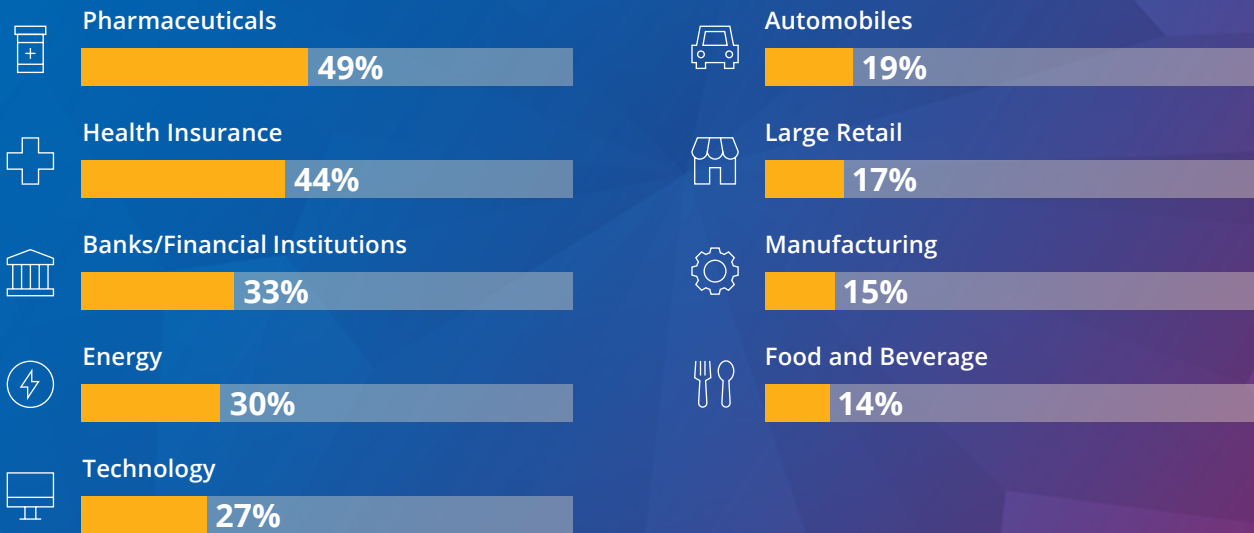
Trust in major companies to behave ethically is considerably higher than trust in the people who run them. Forty-seven percent (47%) of Americans place some or a lot of trust in major companies. Sector by sector, every type of company scored better this year for trustworthiness than it did in 2019.

Of the industries tested, the industry rated least trustworthy was pharmaceuticals, which has held that distinction for the past six years. Nearly half (49%) said pharmaceuticals were less trustworthy than average and only 12% said they were more trustworthy than average. These numbers are still a big improvement over last year, however, when 60% said pharmaceutical firms were less trustworthy than average.

The second least-trustworthy sector was health insurance, for which 44% said it was less trustworthy than average and just 15% said it was more trustworthy than average. The most trusted sectors tested were food and beverage, manufacturing and large retailing, which all received similar scores.

Which Industries Are Least Trustworthy?

Percentage of public saying an industry is less trustworthy than average



PACs Gain in Popularity, Super PACs Fall From Favor

The most preferred method for financing political campaigns tested is to have candidates spend their own money to run for office. As in 2019, 70% of Americans approve of this approach as a major or minor source of funding and only 11% oppose it. In second place are individual contributions, a method approved by 67% and opposed by 15%.

Public acceptance of political action committees (PACs) as a source of campaign financing has risen by four percentage points to 55%, with only 23% of Americans opposing the use of PAC funding. This level of support cuts across party lines with 57% of Democrats and 61% of Republicans approving of PACs.

Next in line is funding from super PACs, which may raise unlimited dollars from corporations, unions and individuals but are not permitted to contribute to or coordinate directly with parties or candidates. This year 40% of Americans say super PACs should be a major or minor source of funding, with 29% saying they should not. This rating reflects a notable drop in support from 46% last year. The final campaign financing method — using federal tax dollars to fund elections — is supported by only 28% of Americans as a source of funding, down from 31% last year.

How Should Campaigns Be Financed?

Major or Minor Source of Finance (Teal), Not a Source of Finance (Red), Don't Know / No Opinion (Grey)

Candidates spending their own money



Individual contributions



PACs



Super PACs



Federal tax dollars



Americans Are Becoming More Pro-Regulation

Public support for business regulation has increased significantly in the past year. Considerably more people (32%) believe government regulation of business “is necessary to protect the public interest” than believe “government regulation of business usually does more harm than good” (22%). Last year 28% were pro-regulation while 23% were anti-regulation. This year’s data show a pro-regulation delta of 10 percentage points — the largest difference in that direction since the Pulse Survey was launched in 2011. (The Pew Research Center conducted a poll asking the same question in October 2008 and found a pro-regulation delta of 13 points.)

Industries considered most under-regulated include pharmaceuticals (47%), health insurance (40%), energy (34%), technology (32%) and banks and other financial institutions (30%). In recent years the industry showing the greatest increase in public support for more regulation is technology. As recently as 2017, only 20% of Americans believed the technology sector had insufficient regulation.

As in past years, the data show a strong correlation between the public’s distrust of an industry and its view that an industry is under-regulated.

Public Support for Regulation Rises

Government regulation of business is necessary to protect the public interest



Government regulation of business usually does more harm than good

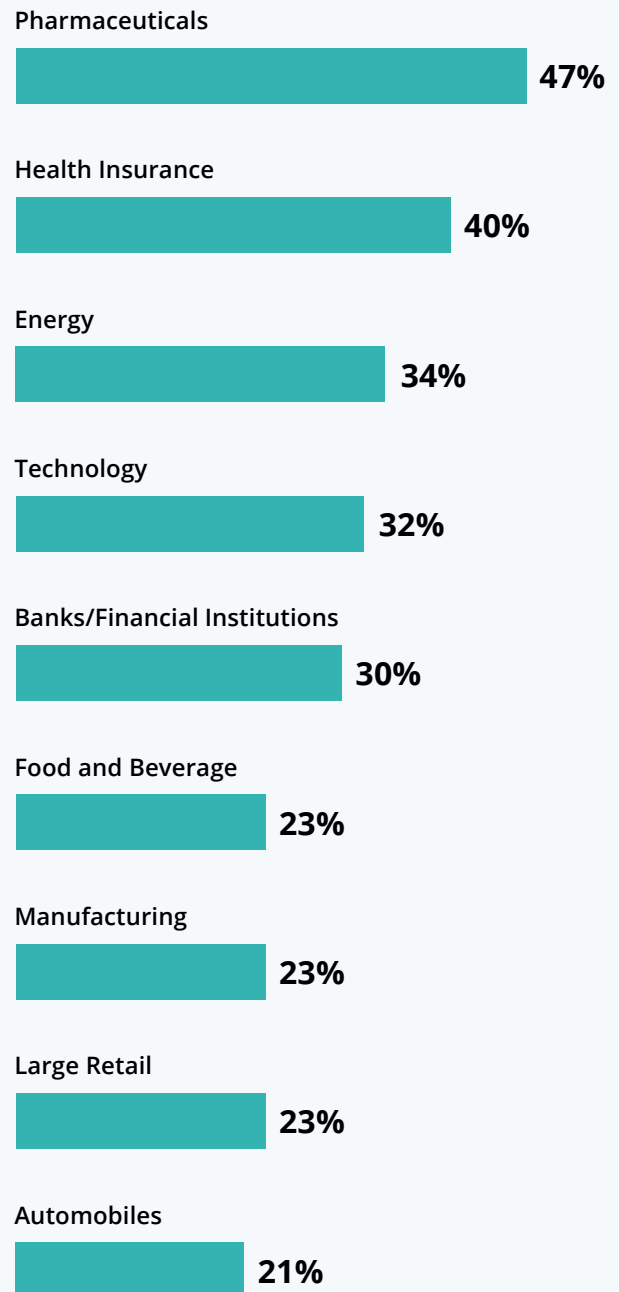


Neither or both equally



Who Needs More Oversight?

Percentage of public saying an industry is under-regulated





2020 Public Affairs Pulse Survey Report

What Americans Think About Business
and Government

About the Public Affairs Council

Both nonpartisan and nonpolitical, the Public Affairs Council is the leading association for public affairs professionals worldwide. The Council's mission is to advance the field of public affairs and to provide its 700 member companies and associations with the executive education and expertise they need to succeed while maintaining the highest ethical standards. Learn more about the Council at pac.org

Methodology: This poll was conducted between August 19-August 21, 2020 among a national sample of 2199 Adults. The interviews were conducted online and the data were weighted to approximate a target sample of Adults based on gender, educational attainment, age, race, and region. Results from the full survey have a margin of error of plus or minus 2 percentage points.